# WI Information Technology Project Form

## General Information

Project Name:                                    DIN #:
Agency:              Contact Name:              Phone:          Email:

## Provide an Executive Summary to describe the key points of the project:

## Why are we doing this project? (Check all that apply and **briefly explain**)

☐  The project supports the State business goals?  Which one(s)?

☐  The project will reduce the cost of performing some business function(s)?

☐  The project will increase revenue?

☐ The project will improve customer service to citizens of Wisconsin, local governments, businesses, or within State government?

☐  This is a mandated project.  Please specify the mandate and impact of non-compliance.

☐  The project is essential to citizen health, safety, privacy, or security.

☐  This project replaces at-risk technology.

☐  The project is needed to comply with enterprise or agency technology standards.

☐  This project is consistent with agency and enterprise plans and standards.  If _not_, please explain.

## Project Schedule

- Planned start date:  __/__/____     Projected completion date:  __/__/____

☐  Is this a component of a larger program reengineering or project currently in progress or in planning?  If yes, please explain.

- Describe major project components or deliverables with target completion dates:

- Please explain any business or other factors which affect the planned schedule for completion?

- What is the estimated useful life of the system or service provided by this project? ____  yrs
  Please explain the basis and assumptions of the estimate.

## *FUNDING*

Describe the proposed fund sources for the project lifecycle (developmental through operational)

| Funding Sources | FY 2004 | | FY 2005 | | Est FY 2006 | | Est FY 2007 | | Est FY 2008 | | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount | |
| **Base Budget $*** | | | | | | | | | | | |
| | | | | | | | | | | | |
| **New Ongoing $*** | | | | | | | | | | | |
| | | | | | | | | | | | |
| **New One time $*** | | | | | | | | | | | |
| | | | | | | | | | | | |
| **Total New Funding** | | | | | | | | | | | |
| **Funding Totals** | | | | | | | | | | | |

* Specify the proposed source of funds, including the appropriation, and whether master lease will be used.  <u>Add as many rows and columns as necessary</u> to fully describe the proposed funding strategy for the entire project lifecycle for all cost components  (Business and IT/ Developmental and Operational).  Include explanatory text as necessary.

## **WI Return on Investment Model for IT Projects**

As noted above, this is the first time the State of Wisconsin has required a return on investment calculation for IT investments.  The goal is to ensure that the State's limited technology funds and staff are used to the greatest benefit of our citizens.  Please provide the information requested as you expect the project to develop. It is recognized that several factors affect the level of accuracy in the information able to be reasonably provided.  Please provide what is known, planned and estimated and explain the basis and assumptions as best possible.  The Department of Electronic Government welcomes constructive comments and suggestions for future calculations.

## **Schedule A.    ROI Adjusted <u>Annualized Project Lifecycle Costs</u>**

In the following schedule, please enter available information:

➤ In column A, the total estimated costs (Business and IT) expected by line item for the duration of project development and implementation
➤ In column B, the total project development time in years (or fraction thereof)
➤ In column C, the result by line item of dividing column A by column B
➤ In column D, an adjustment for the useful life of each line item.  Useful life is the amount of time equipment, products, or services are used before updating or replacement.  Generally, the useful life of hardware and software is four (4) years.  The useful life for other project costs will vary between one (1) and four (4) years.  The useful life of certain items may exceed four (4) years.
➤ In column E, the result by line item of dividing column C by column D
➤ In column F, the estimated <u>annual average ongoing cost of operation</u> (IT and Program Business) expected by line item
➤ In column G, the sum by line item of adding column E and column F  The Total Adjusted Annualized Cost in column F will be carried forward to Schedule C:  ROI Financial Worksheet  Line VII.

| Line Items | (A) Total Project Amount For Development and Implementation | ÷ | (B) Project Time (Yrs or fraction thereof - Same for each row) | = | (C) Adjusted Annual Project Development and Implementation cost | ÷ | (D) Useful Life Adjustment | = | (E) Adjusted Annual Project Development and Implementation Cost | + | (F) Estimated Annual Ongoing cost of Operation (IT and Program) | = | (G) Adjusted Annualized Project Cost Estimate |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Agency FTE Salary and benefits** | $ | | | | $ | | 1 | | $ | | $ | | $ |
| **Software** | $ | | | | $ | | 4 | | $ | | $ | | $ |
| **Hardware** | $ | | | | $ | | 4 | | $ | | $ | | $ |
| **Training** | $ | | | | $ | | 4 | | $ | | $ | | $ |
| **Facilities** | $ | | | | $ | | 1 | | $ | | $ | | $ |
| **Professional Services** | $ | | | | $ | | 1 | | $ | | $ | | $ |
| **Supplies, Maint, etc.** | $ | | | | $ | | 1 | | $ | | $ | | $ |
| **Other (Specify)** | $ | | | | $ | | 1 | | $ | | $ | | $ |
| **Totals** | $ | | ------- | | $ | | ------- | | $ | | $ | | $ |

## Schedule B.  Tangible and/or Intangible Benefits

In the boxes below, please briefly explain assumptions of the cost and benefit estimates.

**B. 1.  Annual Pre-Project Cost** – This section should be **completed only if state government operations costs are expected to be reduced** as a result of project implementation.  Quantify to the extent possible all actual state government direct and indirect costs (personnel, support,

equipment, etc.) associated with the activity, system or process <u>prior to</u> project implementation or if it is a new program requirement, the cost without automation.

**Describe Annual Pre-Project Cost:**

| |
|---|
| **Response:** |

**Quantify Annual Pre-Project Cost:**

| | **Annual Budget** |
|---|---|
| **FTE Cost (salary plus benefits):** | $ |
| **Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):** | $ |
| **Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):** | $ |
| **Total Annual Pre-Project Cost:** | $ |

**B.2. Annual Post-Project Cost** – This section should be completed **only if State government operations costs are expected to be reduced** as a result of project implementation. Quantify all estimated state government direct and indirect costs associated with activity, system or process <u>after</u> project implementation.

**Describe Annual Post-Project Cost:**

| |
|---|
| **Response:** |

**Quantify Annual Post-Project Cost:**

| | **Annual Budget** |
|---|---|
| **FTE Cost (salary plus benefits):** | $ |
| **Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):** | $ |
| **Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):** | $ |
| **Total Annual Post-Project Cost:** | $ |

**B. 3.  Annual Average Opportunity Value/Risk or Loss Avoidance Benefit** – If applicable, quantify the estimated annual impact on revenue to State government such as qualifying for or losing additional matching funds, increasing revenue, penalties for non-compliance, etc.

| Response: |
| --- |

**B. 4.  Annual Citizen Benefit** – Please estimate annual value of the project to Wisconsin citizens, if applicable**.**  This may include avoiding expenses related to conducting business with State government such as travelling to a state office, spending time waiting for processing for licenses or applications, taking time off work, mailing, or similar expenses.  Please use a value of $10 per hour for citizen time savings, $.325 per mile for travel cost savings, and $.37 for postage.

| **Average Transaction Savings w/ samples** | |
| --- | --- |
| **Travel Savings:**<br>Number of trips          **X** miles/trip          **X** number of trips/year          **X** number of citizens affected          **X** $.325/mile | **= $** |
| **Time Savings:**<br>Number of annual online transactions          **X** hours saved/transaction          **X** Number of Citizens affected          **X** $10/hour | **= $** |
| **Postage Savings:**<br>Number of envelopes          **X** number of citizens affected          **X** $.37/envelop | **= $** |
| **Other Savings** [*]   **( Estimate of dollar amount):** | **$** |
| **  * (Please explain the basis of any other savings included above)** | |
| **Total Savings:** | **$** |

**B. 5. Qualitative Benefits** – Please identify the overall qualitative benefits (i.e., IT innovation, unique system application, use of new technology, improving the quality of life, improving satisfaction with government, meeting a strategic goal, etc.).

| Response: |
| --- |

## Schedule C:    ROI Financial Worksheet

| **I.  Total Annual Pre-Project Cost**<br>*( From  B1):* | $ |
| --- | --- |
| **II.  Total Annual Post-Project Cost**<br>*(From  B2):* | $ |
| ***III.   Annual Government Savings** (=I-II)* | $ |

| | |
|---|---|
| *IV. Annual Opportunity Value or Risk/Loss Avoidance Benefit* (From B3): | $ |
| *V. Annual Citizen Benefit* (From B4): | $ |
| *VI. Total Annual Project Benefit (=III+IV+V)* | $ |
| *VII. Annual Adjusted Cost*  (From Schedule A): | $ |
| *Benefit / Cost Ratio:  (VI / VII) =* | |
| ☐ *Benefits Not Readily Quantifiable*  (From B5) | |

## What are the project risks and how will they be mitigated?

Several factors contribute to project risk, especially for new projects.  Common risks are identified below.  Please check all that apply to this project.

Infrastructure (Check one)

☐ New Development / Major Reengineering (Higher risk)
☐ Upgrade / Maintenance (Lower risk)

Application  (Check one)

☐ New Development / Major Reengineering (Higher risk)
☐ Maintenance / Minor Enhancements (Lower risk)

Business Complexity  -  Does this project require major changes to business processes*?*

☐ Yes       ☐ No     If yes, please briefly explain.

High Profile Project  -  Is this a project of interest to the legislature, other political entities, or advocacy groups?  Does it involve participants such as citizens, federal or local government, business?

☐ Yes       ☐ No     If yes, please explain.

Technical Complexity  -  Projects are considered technically complex if they involve multiple platforms, many interfaces, and new technologies.  Please rate technical complexity.

☐ High Complexity  ☐ Average Complexity  ☐ Low Complexity

Platforms/OS/Key Interfaces
Briefly specify the platforms/operating systems and key interfaces to other systems required for this project and describe your agency's level of experience with the technology.

<u>Enterprise Architecture</u>
Is this project dependent on any enterprise architecture or infrastructure development or does it impact any?  If yes, please explain:

<u>Other Risks</u>
Please explain any other risks or dependencies?

<u>Risk Mitigation</u>
Please explain how the risks with the project are mitigated?


**Potential for Increasing Enterprise Value**

- Are there other agencies that perform the same business function?   Have opportunities for collaboration been identified and/or discussed with these agencies?  Please explain.

- Any other comments about the potential benefit of this project to the enterprise?